



NEWS RELEASE

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FOR IMMEDIATE RELEASE

THREE FLORIDA RESIDENTS INDICTED FOR FALSIFYING TEST RESULTS ON PARTS FOR PEACEKEEPER NUCLEAR MISSILE

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced today that the owners and an employee of a Florida aerospace firm have been indicted by a federal grand jury for falsifying testing results on components used in Peacekeeper nuclear missiles.

Timothy J. Muldoon, 53, **Tina A. Muldoon**, 46, and **Russell B. Cohen**, 47, all of Lighthouse Point, Fla., were charged in two-count indictment returned by a federal grand jury Wednesday in Kansas City. The **Muldoons** were the owners of M&M International Aerospace Metals, Inc.; **Cohen** was the sales manager. M&M International Aerospace, a Ft. Lauderdale, Fla., metal distributor to the aerospace industry, is no longer in business.

M&M was a subcontractor to Honeywell Federal Manufacturing and Technologies in Kansas City, Mo. Honeywell is the managing and operating contractor of the Kansas City Plant, owned by the Department of Energy, which manufactures non-nuclear mechanical, electronic, and engineered-material components for national defense systems.

On March 6, 2003, M&M was awarded a contract by Honeywell to supply 136 feet of metal bars (48 bars cut into three-foot lengths) to be used to build a cylinder that comprises the outer housing of a device used in the Peacekeeper missile. The Environmental Sensing Device, Graves explained, is an environmental safety subsystem designed to prevent inadvertent nuclear detonations by isolating the missile from electrical energy.

Count One of the federal indictment alleges that the **Muldoons** and **Cohen** filed a fraudulent claim for payment, when they knew M&M had not performed the testing required under the subcontract, that the test documents purportedly reflecting such testing were false and that the Certification of Conformance was false. The **Muldoons** allegedly created fraudulent test

documents falsely reflecting that testing had been performed on the 48 metal bars as required under its Honeywell contract.

M&M's contract with Honeywell, the indictments says, required the metal bars to be machined to specifications and tested to specifications, and required M&M to provide Honeywell the test results with the bars. But when the **Muldoons** submitted the 48 metal bars to Honeywell, only one set of test documents for one bar was provided. After inspecting and reviewing the bars, Honeywell rejected the order and sent the bars back to M&M with instructions that each of the bars had to be tested.

Instead, the indictment alleges, the defendants created 60 fraudulent test documents reflecting that testing had been performed as required. Those fraudulent documents allegedly included 48 fraudulent test documents falsely reflecting that 48 bars had been tested (including chemical analysis, tensile, and metallurgical evaluation), when in fact only one bar had been tested, and 12 fraudulent test documents falsely reflecting that 12 bars had been tested for ultrasonic testing, when in fact the 12 bars were not tested in the manner required by the contract.

On May 21, 2003, M&M submitted the bars to Honeywell, according to the indictment, along with the 60 false and fraudulent documents purportedly reflecting the required test results. The **Muldoons** also submitted an invoice requesting payment of \$28,512.

On Oct. 8, 2003, Honeywell employees were reviewing the test documents submitted by M&M and noticed the test documents appeared identical for each of the 48 bars. According to the indictment, a single test document had been copied 48 times and the bar number falsified. The indictment also alleges that the defendants had only contracted to perform one ultrasonic test on all 12 bars, but had falsified 12 individual test documents that were submitted to Honeywell.

As a result of this fraud, the indictment alleges, the United States sustained a loss of approximately \$56,386, including labor by Honeywell, retesting, and the cost of the unusable material.

Count Two of the federal indictment alleges that the **Muldoons** and **Cohen** made fraudulent statements of material facts to the government.

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

This case is being prosecuted by Assistant U.S. Attorney Linda Parker Marshal. It was investigated by the Department of Energy, Office of Inspector General.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

www.usdoj.gov/usao/mow/index.html